



Tuesday Morning Corporation Reports 23% Increase in Second Quarter Sales

DALLAS, July 5 /PRNewswire/ -- Tuesday Morning Corporation (Nasdaq: TUES), the Dallas-based deep discount closeout retail chain reported sales for its second quarter, which ended June 30, 2000, of \$132.5 million, a 23% increase compared with \$107.7 million in the corresponding period of the prior year. Sales through the end of the 2000 second quarter increased 24% to \$223.0 million compared with \$179.4 million in 1999. Comparable store sales increased 12.8% for the quarter and rose 13.7% for the year-to-date period.

Tuesday Morning Corporation operates the largest chain (currently 405 stores) of deep discount closeout home furnishings and gift stores in North America. These stores open eight times a year for four-week to six-week "events" during the retail industry's peak selling seasons. A broad variety of closeout items are available in such product categories as gifts, crystal, luggage, linens, toys and seasonal items.

The Company specializes in famous-maker, first-quality merchandise which is often found in prestigious department and specialty stores, and such merchandise is sold by Tuesday Morning at prices 50%-80% below traditional retail levels. Tuesday Morning Corporation common shares are traded on Nasdaq's National Market System under the symbol "TUES". SOURCE Tuesday Morning Corporation

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"Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995: Statements in this press release regarding Tuesday Morning Corporation's business which are not historical facts are "forward-looking statements" that involve risks and uncertainties. For a discussion of such risks and uncertainties, which could cause actual results to differ from those contained in the forward-looking statements, see "Risk Factors" in the Company's Annual Report or Form 10-K for the most recently ended fiscal year.